

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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In The Matter of the Application of SAN DIEGO
GAS & ELECTRIC COMPANY (U 902 E) for a
Certificate of Public Convenience and
Necessity for the South Orange County
Reliability Enhancement Project

Application 12-05-020
(Filed May 18, 2012)

NOTICE OF ORAL AND WRITTEN EX PARTE COMMUNICATION

Forest Residents Opposing New Transmission Lines
Jacqueline Ayer on behalf of FRONTLINES
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May 10, 2016

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Pursuant to Rule 8.3 of the Commission's Rules of Practice and Procedure, Forest Residents Opposing New Transmission Lines ("FRONTLINES") submits this Notice of Oral and Written Ex Parte Communication.

On Thursday, May 5, 2016, FRONTLINES representative Jacqueline Ayer met with Christine Hammond, Chief of Staff to Commission President Michael Picker at the Commission's Offices in San Francisco. The meeting, which was initiated by FRONTLINES, lasted approximately 45 minutes. Ms. Ayer provided a 2-page summary of FRONTLINES concerns with the SOCRE Project distilled from FRONTLINES' Exhibits and Briefs. The summary (provided in Attachment 1) details why SOCREP is unnecessary, costly, and deficient, and explains why FRONTLINES's alternatives are more effective, cost less, and have fewer impacts. Ms. Ayer then clarified the following:

- FRONTLINES Reconductoring Alternative is comprised of 3 essential elements: 1) Reconfigure Talega and Pico, 2) Upgrade TL13835, TL13816, and make minor modifications to Capistrano; and 3) Either upgrade or implement SPS for TL13836 and TL13846.
- The key to mitigating the potential load shed scenarios resulting from contingency events during Talega maintenance (identified in Tables 4-2 and 4-3 of SDGE Exhibit 1.3R) lies in reconfiguring the Talega bus to utilize existing vacant line positions. Using FRONTLINES exhibit 407C, Ms. Ayer showed Ms. Hammond how the existing Talega bus can be reconfigured. NOTE: FRONTLINES Exhibit 407C is marked as an SDGE confidential diagram and is therefore NOT included in this Ex Parte Notice.

- The key to mitigating the potential load shed scenarios that result from contingency events during maintenance on the Pico, Santa Margarita and Rancho Mission Viejo substations (identified in Tables 4-4, 4-5, and 4-6 of SDGE Exhibit 1.3R) lies in reconfiguring the Pico bus. Ms. Ayer explained that two of the four 138 kV lines which carry SOC power from Talega are routed through the Pico substation, which is currently configured to curtail all power flows through Pico if a contingency or maintenance event affects the Pico 138 kV bus. Ms. Ayer clarified that, when the Pico bus is down for maintenance, half the 138 kV lines serving SOC load are removed from service, and if a contingency event were to occur that removed a third line 138 kV line from service, the entire SOC load will be served by the single undersized 138 kV line to Laguna Niguel. Ms. Ayer showed Ms. Hammond how these circumstances can be eliminated by simply reconfiguring the Pico bus to allow power flows into and out of Pico during a maintenance or contingency event at Pico. Ms. Ayer also showed Ms. Hammond SDGE's description of how the Pico bus would be reconfigured (provided in FRONTLINES Exhibit 423 and reproduced as Attachment 2), and noted that the viability of this solution has never been refuted or even disputed by SDGE.
- The basis for SDGE's argument that FRONTLINES' reconductoring alternative will not mitigate potential NERC violations lies in SDGE's power flow analysis of the reconductoring alternative, which is summarized in Table 6-1 of SDGE Exhibit 3.2RC (reproduced as Attachment 3 with the annotations that were discussed). Using the Table 6-1 data (which assumes a 2020 peak load of 475 MW), Ms. Ayer showed Ms. Hammond that the overloads are all less than 24% of the line rating, therefore increasing the capacity of these lines by 30% (or more) will address **all** of these concerns. Ms. Ayer also explained that SDGE's witnesses confirmed during cross examination that reconductoring would increase the transmission capacity by at least 30%, therefore none of the overloads cited in SDGE's Table 6-1 will come to pass if FRONTLINES's reconductoring alternative is implemented. Finally, it was pointed out to Ms. Hammond that 1) FRONTLINES reconductoring alternative includes upgrades on TL13816 (as reflected in FRONTLINES' Testimony served May 26 2015); 2) TL13836 and TL13846 overloads can be addressed via either reconductoring or SPS; 3) Because TL13846 and TL13836 are each less than one mile long and entirely above ground, reconductoring is preferred to SPS; 4) SDGE's Table 6-1 demonstrates that the Reconductoring Alternative poses no overload or NERC violation concerns on TL13833 and that TL13833 should not have been included in Table 6-1; and 5) An analysis of the SOCRE Project done by CAISO for the 2013/2014 Transmission planning process showed that SOCREP creates potential overloads on TL13833 (see page 4 of FRONTLINES Exhibit 415 provided herein as Attachment 4). These issues are all addressed in Section 2.4.3.2.1 of FRONTLINES opening brief and reproduced in Attachment 5.
- FRONTLINES' cost estimate for reconductoring lines is based on SDGE's own cost methodology of \$4 million per mile (above ground) with SDGE's 50% contingency replaced with a 35% contingency (as indicated on page 51 of FRONTLINES Opening Brief). Ms. Hammond was provided an annotated copy of page 51 (see Attachment 6).

- It is understood that the Commission's orders generally do not include the granular level of detail which is contained in FRONTLINES reconductoring alternative and that such details would not be expected in the Decision issued for the SOCRE Proceeding. However, Ms. Ayer explained that the details are necessary to prove to the Commission that Reconductoring is a viable alternative, that it addresses ALL of SDGE's concerns regarding compliance with NERC and CAISO standards, and that it does so at a cost that is less than one-fifth of the SOCRE project cost. The demonstrated viability and cost effectiveness of the Reconductoring Alternative provides the Commission with substantial basis to reject the SOCRE Project.
- As both CAISO and SDGE witnesses confirm, no CAISO or NERC standard requires SOC load to be served by a second CAISO connection (as discussed in Section 2.1.3 of FRONTLINES Opening Brief and partly excerpted in Attachment 7). Ms. Ayer further pointed out that prior Commission Decisions have determined that subtransmission system reliability is actually *enhanced* by severing multiple CAISO connections and limiting load service to a single CAISO connection. These decisions were identified in footnotes 5 and 27 of FRONTLINES Reply Brief. The first (D.10-06-014) addresses the "Devers-Mirage Subtransmission Split" Project in Proceeding A.08-01-029 (found at: http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/118975.PDF). The second is the approval of Advice Letter 2789-E addressing the "East Kern Wind Resource Area Reconfiguration Project". Key portions of D.10-06-014 are included in Attachment 8; the body of approved Advice Letter 2789-E is provided in Attachment 9.
- Should the Commission deem it appropriate for SOC load to be served by a second CAISO connection, then the Trabuco alternative is preferred because it ensures that the entire SOC load is served in the event either the Talega or the Trabuco substations are down. As Ms. Ayer explained, SDGE's witnesses admitted that, with SOCREP, one-third of SOC load will be dropped if the Capistrano substation is removed from service even if Talega is fully operational, and that it could take up to 8 hours to restore service by "jumpering" a line. These facts (presented in FRONTLINES Opening Brief and reproduced in Attachment 10) demonstrate that SOCRE is **not** redundant to Talega.
- All of the 230 kV transmission lines that are intended to serve Capistrano under the SOCRE Project are located just west of Talega and in the same corridor as the lines that serve Talega. And, because a wildfire in Southern California can travel 30 miles in just 2 hours, there is every reason to believe that a fire which affects either Talega or the 230 kV lines that serve Talega will also affect the 230 kV lines that will serve Capistrano under SOCREP. Ms. Ayer referred to the discussion and aerial photograph that was provided in FRONTLINES' Reply Brief (reproduced in Attachment 11) which demonstrates just how close the SOCREP 230 kV lines are to Talega. Ms. Ayer also pointed out that, given the proximity of all the SOC 230 kV lines to Talega, there is every reason to believe that an earthquake which affects Talega or the 230 lines that serve Talega will also affect the 230 lines that serve Capistrano under SOCREP. This is why SOCREP does not provide SOC with a redundant power source. Ms. Ayer also noted that (as described in FRONTLINES Opening Brief – see footnote 46 reproduced in

Attachment 12) SDGE's witnesses even confirmed that a second power source for SOC should be located far from Talega. Therefore, Trabuco is the preferred location for a second SOC power source since it is many miles from Talega and served by SCE's system to the north.

- CAISO's assertion that the Trabuco alternative will effect power transfers to SCE (along Path 43) is without merit for 2 reasons: 1) It ignores the fact that opening the connections to the Trabuco transformers when necessary will eliminate SCE system transfer impacts because it reverts the Path 43 connection back to its current configuration (as explained in FRONTLINES Reply Brief on page 20 reproduced as Attachment 13); and 2) It assumes an excessively high 1800 MW northbound flow on Path 43 which CAISO's witness Sparks could not justify when cross examined (as explained in FRONTINES Opening Brief on page 31 and in footnote 79 reproduced in attachment 14).
- CAISO's basis for supporting the SOCRE Project is unclear, particularly since it appears that the SOC system *should not even be under CAISO control*. This is because the SOC 138 kV system is not integrated into the CAISO grid and is in fact comprised entirely of "distribution facilities" according to FERC's 7-factor test (as set forth in FRONTLINES Reply Brief and excerpted herein as Attachment 15). Additionally, SOC is demonstrably not part of the Bulk Electric System (BES) according to the standard established by FERC's "Mansfield Test" (as set forth in FRONTLINES Reply Brief and excerpted herein as Attachment 16).
- FRONTLINES is concerned about the next phase of the SOCRE project which SDGE refers to as the "Valley-Inland" project. Ms. Ayer explained that the "Valley-Inland" project has been proposed every year by SDGE to the CAISO for at least the last 3 years (as shown in FRONTLINES Exhibit 416 reproduced as Attachment 17). The Valley-inland project involves interconnecting SOCRE's Capistrano, Talega and Escondido 230 kV substations to SCE's Valley 500 kV substation via a new 500 /230 kV "Inland" substation. The Valley-Inland project will firmly imbed the 138 kV SOC subtransmission system into the BES. Ms. Ayer explained that SDGE has sought to connect its 230 kV system to SCE's 500 kV Valley-Serrano transmission facilities for more than a decade as evidenced by the Valley-Rainbow project (proposed in 2001) and the "connected action/future system expansion" contemplated for the Sunrise Powerlink project identified in 2008.

Ms. Ayer and Ms. Hammond also inspected Figure 1.2 from the SOCREP DEIR (provided in Attachment 18), which shows that the CAISO connection at Talega is the only source for SOC power distributed throughout SOC via 7 substations (San Mateo, Pico, Capistrano, Laguna Niguel, Trabuco, Rancho Mission Viejo, and Santa Margarita). They discussed the fact that Talega is currently connected to the CAISO grid through three separate 230 kV transmission lines (2 from San Onofre and one from Escondido) which provides service to

SOC even if a Category C contingency event removes two of these three 230 kV lines from service. They also discussed the fact that, depending on power flow conditions on the CAISO grid: 1) Power could flow from Talega to serve Escondido load if other transmission resources connected to Escondido are removed from service because Escondido would pull power from Talega and (by extension), San Onofre; 2) Power could flow from Escondido to Talega to serve SOC load if the transmission lines from San Onofre to Talega are removed from service because Talega would pull power from Escondido and (by extension) the transmission facilities connected to Escondido.

Respectfully Submitted,

/s/ JACQUELINE AYER

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